



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #728

Aids in Lieu of Taxes Reestimate (Tourism)

[LFB 2003-05 Budget Summary: Page 407, #7]

CURRENT LAW

Since the Kickapoo Valley Reserve's transfer from the federal government to the state of Wisconsin, the state has made aids in lieu of property taxes payments on the Reserve's land to three municipalities. These payments are made from a sum sufficient SEG appropriation from the forestry account of the conservation fund. A payment is made each January that equals the tax that would be due on the estimated value of the property at the time it was transferred, adjusted annually to reflect changes in the equalized valuation of all land, excluding improvements, in the taxation district.

GOVERNOR

Increase the aids in lieu of property taxes appropriation by \$20,200 SEG (to \$244,700) in 2003-04 and by \$42,200 SEG (to \$266,700) in 2004-05.

MODIFICATION

Reestimate the aids in lieu of property taxes payment by deleting \$10,000 SEG in 2003-04 and \$10,900 in 2004-05.

Explanation: The bill would increase base funding by nine percent annually. However, the actual payment in 2002-03 was less than the amount provided in the base (\$215,300 versus \$224,500). A nine percent annual increase over the actual 2002-03 payment would require \$234,700 in 2003-04 and \$255,800 in 2004-05.

<u>Modification</u>	<u>SEG</u>
2003-05 FUNDING (Change to Bill)	- \$20,900

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